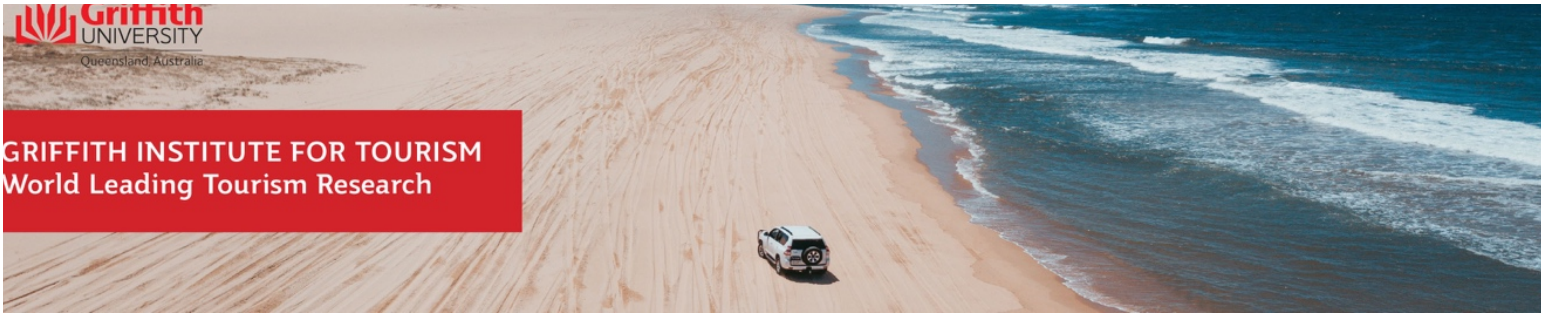


# Beyond Tourism 2020 Strategy

Steering Committee Report to Government: Invitation to Comment

In February 2018, the Australian Government established the Beyond Tourism 2020 Steering Committee to shape Australia's next long-term tourism strategy to commence in January 2021. The Steering Committee comprised nine senior industry leaders from across the tourism and hospitality sectors: Kerrie Mather (formerly Sydney Airport), Todd Coates (formerly Sydney BridgeClimb), Karen Bolinger (Association of Australian Convention Bureaux), Cinzia Burnes (Helloworld Travel), John Hart (Australian Chamber – Tourism), Harvey Lister (AEG Ogden), Andrew Williams (Dransfield Hotels & Resorts), Clark Kirby (Village Roadshow Theme Parks) and John O'Sullivan (Tourism Australia).

The Beyond Tourism 2020 Steering Committee submitted its report to Government in December 2018. An on-demand webinar has been published which provides an overview of the Beyond 2020 Steering Committee and its report to Government. In February 2019, the Minister for Trade, Tourism and Investment launched a consultation process to seek industry and governments' views on the report. The next long-term tourism strategy will extend out to the year 2030. This consultation process will provide valuable insights in shaping the trajectory of Australia's tourism industry.

# Consultation questions

Have your say by 8 March 2019

**Question 1:**

**Future trends**: What do you see as the future trends which will shape and change the industry over the next 10 years?

The dominant trend will be the impacts of climate change (and other aspects of resource degradation) that will lead to increasing and detrimental disruption of tourism and its associated resources (prominent example is GBR, but also think forest fires, drought etc.). Ignoring extreme weather and climatic changes and its impacts is not a viable long-term option as it is imposing increasing costs for businesses. These include, for example, ongoing operational costs (e.g. increased use of air conditioning), capital costs for new developments, repair or rebuilding after natural disasters and severe weather events such as cyclones, and increased insurance costs. Obtaining adequate insurance cover is increasingly a challenge for tourism operators in exposed areas.

The most pervasive and persistent risk to the Great Barrier Reef – a key drawcard for visitors to and within Australia, is climate change and extreme weather events. Any declines in the health of the Great Barrier Reef are of existential concern to tourism, and tourism operators and the communities in which they operate. The coral bleaching events of the last two years have severely affected the resource base of the tourism industry and the business viability of some reef-based operators.

Increased need for decarbonisation will put new challenges on tourism. Decline in social stability (beginning to show in Europe and US) could affect propensity to travel. It is surprising that this is not mentioned, especially following the Climate Council's report on tourism last year. https://www.climatecouncil.org.au/resources/tourism-2018/ and also the latest IPCC 1.5 degrees

report. The Queensland tourism sector is addressing this issue proactively with the Climate change response plan for tourism which is working to help the sector transition towards a low-carbon economy, to maximise the opportunities and minimise risk. The TFCD has put climate risk firmly on the map for investors and a recent survey amongst Australian CEO's confirms concern and need to address this.

The current digital disruption that can be observed (unevenly) throughout the world will bring new ways of thinking, developing and experiencing tourism. It will shape the workforce and Griffith Institute for Tourism is currently developing a strategy/plan for Queensland tourism, commissioned by QTIC. The use of the term productivity in the draft strategy implies labour productivity which might not be the best measure for a service industry that provides jobs. More critical assessment of the risks associated with new technology, in particular AI, is necessary.

Sharing economy trends are noted in the draft strategy and a rather passive stance is indicated. There is an emerging literature on the benefits and costs of the sharing economy and its fundamental difference with more cooperative grass root approaches that retain the revenue with the service provider (rather than loosing much of it off shore).
https://www.tandfonline.com/doi/abs/10.1080/09669582.2018.1560455

To deal with complex problems and to maximise resources and expertise there is a trend towards merging fields. This is true in academia, but also in areas such as planning. For example, regional towns will merge tourism and planning perspective to leverage their standards and offerings. I.e. boundaries are increasingly being blurred and 'actors' need to be flexible and adaptive in their tasks and networks.

China continues to shape travel, and it is also noted as emerging market (a misnomer maybe given that it is the largest) in the strategy. Easing of the Chinese economy should be observed carefully; as well as the different levels of yield associated with different Chinese market segments.

**Question 2:**

**Regional dispersal**: Given that growth in tourism beyond 2020 will mainly come from inbound visitors, particularly those from the Asian region, how can we achieve greater dispersal into our regions for longer periods of time? Should there be specific targets set for international visitation to regional Australia?

In addition to considering how to attract visitors to the regions per se it might be useful to focus on how to develop a repeat visiting attitude. France successfully attracted mostly UK, Dutch and German visitors to come in its most remote regions starting 1980s because real estate was cheap. It provided the opportunity for a certain social category to invest at low cost, to spend each holiday retrofitting the building and retire in a place with a better weather. In Australia, regional dispersal is typically associated with more challenging climate and longer distances, and the European model might not work; however, a greater focus on domestic tourism (instead of trying to disperse international visitors) might be beneficial. Also, noting that regions may not always suited to receive visitors, and infrastructure investment might simply not pay off. This is particularly so where resource constraints exist already, and where these are exacerbated by climate change (e.g. water availability).

**Question 3:**

**Data**: What role do you see data analytics and segmentation playing now and into the future?

Data analytics and segmentation needs to become more considered and informative, seeking to understand the value of different visitor segments and markets, in economic terms but also social and environmental. Hybrid approaches that combine traditional data sources and analytics with big data approaches provide powerful avenues, and Griffith Institute for Tourism is working actively on this in partnership with the Griffith IT School and Big Data Lab.

Broadening data analysis and associated indicators is needed, to better inform tourism programs and policies, considering both visitor supply and demand.

**Question 4:**

**Technology**: What technological advances do you think will shape the sector over the next 10 years? What legislative and regulatory amendments are needed to better facilitate the adoption of new technology to meet the diverse needs of the future traveller?

See earlier comments.

Technological advances and innovation can help the industry to improve practice and quality, to maximise the benefits and efficiencies, but also to minimise costs and negative impacts associated with tourism. Innovation and investment funding should be facilitating new innovative approaches across the board and not just in technological advances.

We suggest to make a more explicit link between innovation, the use of technology and achieving sustainable tourism outcomes; this could relate to managing hot spots, utilities, or other aspects of planning and impact.

**Question 5:**

Employment: How can the tourism industry improve career perceptions and create career pathways to attract new workers into the industry?

The workforce in Australian tourism relies to a considerable extent on (aged) volunteers and working holiday staff. This is in stark contrast to other countries where hospitality/service industries enjoy high reputation.

Careers in tourism need to be seen as worthwhile and rewarding, you are not just a barista or waiter, a hotel manager or pilot, a boat operator or tour guide, but people who are showing visitors the wonders of what Australia has to offer, and are a part of an Australian tourism industry that supports local economies and supply chains, connects and engages with local communities, and protects and preserves the natural and cultural environment – now and for the future. There needs to be a reward and recognition scheme for tourism staff, not just business awards – which will also encourage staff to excel and innovate. Career pathways need to highlight and demonstrate the links to other careers, skill sets which can be used across pathways.

We are aware that this is actively discussed in the industry, but we suggest to include specific strategies to address this issue. This discussion also needs to include aspects of accessibility and inclusivity, in particular in relation to indigenous employment.

Finally, research suggests that companies that take an advanced approach to sustainability (across the triple bottom line) are outperforming other companies in terms of employee satisfaction, staff retention, community buy-in, as well as profitability – providing an important link between social, environmental and economic outcomes.

**Question 6:**

**Australian expertise**: Looking beyond tourism demand and supply, how can the next long term strategy seek to leverage the export capability of Australian tourism businesses?

We should be able to export knowledge, skills and best practice – in a wide range of touristic areas, but in particular around social and environmental and cultural sustainability, and innovation. With a tourism industry that relies heavily on its cultural and natural assets which are increasingly at risk, we should be facilitating and showcasing best practice, and sharing that globally.

If we have a vision for “Australia to be the most desirable and memorable destination on Earth” – it is critical that we protect and manage appropriately the natural and cultural assets on which the industry relies and where memories are made, that we facilitate and encourage an industry that cares and is environmentally and socially responsible, and develop the best products, experiences, and destination management practices and plans globally.

This can be leveraged through alignment to educational institutes, workshops and seminars, online resources, expertise, case studies, products, podcasts, demonstrating and exporting tourism technologies and innovations, marketing, future proofing and data/intelligence.

**Question 7:**

**Aviation**: What are the missing links in Australia’s aviation network, including ‘secondary’ international hubs and domestic regional locations?

The image and reputation of Australia’s aviation network is going to become increasingly important to manage as consumers are becoming increasingly aware of the negative impacts and associated costs of flying. The industry needs to be responding and preparing, and Australia has some leading and showcasing examples that it could shout about – both through airlines testing biofuels and airports leading on carbon neutrality.

Beyond ‘network improvements’ how can we support better and more efficient operational practice across the aviation network, to demonstrate leadership internationally. All airports should be encouraged to be ACAS accredited and to work through the ratings towards carbon neutrality. The Sunshine Coast airport in Queensland was the first Australian airport to become carbon neutral, and many are following suit and are now signed up to the program – but those that are engaged actively and improving performance should be recognised and rewarded, and those that are not – encouraged to step up their game.

**Question 8:**

**Social licence**: How do we better message the social and economic benefits of the tourism industry to the Australian community to ensure ongoing social licence to operate?

The Australian community need to be regularly surveyed on their views and acceptance of visitors, and that we carefully monitor and respond to negative issues or impacts that are raised (including social and environmental). Any messaging and marketing needs to demonstrate in practice that tourism cares about, and is proactive in addressing social and environmental impacts or ensuring there are benefits and positive outcomes, for example through social certification and eco-accreditation.

It is critically important, that an Australian wide tourism strategy recognises and facilitates responsible and ethical tourism practice across the country. An annual report card would be a good way of reporting and communicating through national, state and regional tourism bodies – and recognises and practice that benefits the tourism industry and the communities and environment on which it relies.

**Question 9**:

**Resilience:** How can the Australian tourism industry ensure it is resilient to the impact of global shocks beyond 2020 (economic, political and environmental)?

Resilience is tied closely to sustainability (economically, socially and environmentally), and this particular section in the strategy is very superficial and lacks substance. It does not address the key issues and fails to indicate strategies how to manage them.

Articulating the key risks for the tourism industry (to include extreme weather and climate change) and communicating how the sector needs to respond is critical for resilience. Training in dealing in crisis management, disaster preparedness and coping with extreme events is a practical need.

Increasing resilience requires a review of tourism governance, strategy, plans, investment and infrastructure – to ensure all of these work to increase resilience and reduce risks in the sector. Resilience has to start at the core, with strategy and governance incorporating risk and resilience as a key objective. This requires thoughtful, adaptive and progressive leadership and strategy that draws on industry leaders and exemplars.

**Question 10:**

**Title**: What is the appropriate title for the strategy?

Tourism Transition

Principles for Success

Tourism for 2030 - Inspire, Innovate and Create

Tourism Matters – Beyond 2020

Future Proofing – Tourism 2030

**Question 11:**

**General**: Any other comments

We recommend a detailed stocktake of where Australia tourism is compared with the previous strategy's targets, and we would also enhance this analysis with an advanced assessment of net benefit to the country. This would be in line with efforts in other leading destinations that seek to increasingly understand the true value of tourism.

It is not clear how state governments and state tourism bodies have been engaged in the development of this strategy, as it seems narrow in content and seems to lack consideration of a wide range of issues affecting the tourism sector and state tourism matters.

As it stands this draft strategy follows a traditional tourism growth model where continued expenditure and increasing numbers seems to be the primary and only objective, without enough attention being made to tourism and destination management, training and skills development, and quality leading business models. Tourism leadership is demonstrating new approaches (e.g. Flanders and New Zealand) to rethink and broaden the current tourism paradigm of ever-increasing growth, which is increasingly coming under question and scrutiny as the foundation and basis for tourism success - its natural and cultural assets, quality products and experiences, are at risk.